GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:632
ANSWERED ON:26.02.2016
Relief Package to Sugarcane Farmers
Khuba Shri Bhagwanth

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has any proposal to provide a comprehensive relief package to sugarcane farmers across the country; and

(b) if so, the details thereof?

Answer

The Minister of State in the Ministry of Finance

(a) & (b): With a view to improving the liquidity position of sugar mills and facilitating timely payments of cane dues of sugarcane farmers, the Central Government has taken the following steps:
â€¢ Working capital loans of Rs.6420 crore were extended with interest subvention for five years under the Scheme for Extending Financial Assistance to Sugar Undertakings, 2014 (SEFASU-2014) .

â€¢ An amount of Rs.284 crore has been released so far under the scheme to provide incentive for raw sugar export during sugar season 2013-14 and 2014-15.

â€¢ Remunerative prices have been fixed for supplies of ethanol to Oil Marketing Companies (OMCs) for blending with petrol; excise duty has been waived on ethanol supplies to OMCs during 2015-16 and blending targets have been scaled up from 5% to 10%.

â€¢ Under the Scheme for Soft Loan to Sugar Sector, an amount of Rs.4212 crore was disbursed and credited to farmers" accounts with interest subvention @ 10% p.a. for one year.

â€¢ A scheme was notified on 2.12.2015 to extend production subsidy @ Rs. 4.50 perquintal of cane crushed to sugar mills to offset the cost of cane and facilitatetimely payment of cane price dues of farmers for sugar season 2015-16. Fundsto be released under the scheme shall be directly credited into farmer"saccounts.